In re Bishop et al.
U.S. Pat. App. No. 09/652,899

REMARKS

The present paper is submitted in conjunction with the filing of a Request for Continued

Examination (RCE) in response to an Advisory Action mailed July 6, 2005, which was responsive

to a Reply filed June 17, 2005, at which time a Notice of Appeal was also filed.

In the Advisory Action dated July 6, 2005, the Examiner indicated that Applicants' Reply to

the Final Office Action, dated June 17, 2005, "merely reiterate[s] issues addressed in the Final

Rejection mailed 2/17/05, and incorporated herein." The finality of the rejections was maintained.

Rejections Under 35 U.S.C. § 103(a)

In the Final Office Action mailed February 17, 2005, claims 1-4, 43-46 and 90 were rejected

under 35 U.S.C. § 103(a) as being unpatentable over Linehan (U.S. Patent No. 5,590,197) in view

of Chen et al. (U.S. Patent No. 5,590,197). In addition, claims 91 to 97 were rejected under 35

U.S.C. § 103(a) as being unpatentable over Linehan in view of Chen et al., and further in view of

Atsmon et al. (U.S. Patent Application No. 2004/0031856). Further, claims 98-103 were rejected

under 35 U.S.C. § 103(a) as being unpatentable over Linehan in view of Chen et al. and Atsmon et

al.

With respect to the rejection of claims 1-4, 43-46 and 90 under 35 U.S.C. § 103(a) as being

unpatentable over Linehan (U.S. Patent No. 5,590,197) in view of Chen et al, and claims 91-97 and

98-103 under 35 U.S.C. §103(a) as being unpatentable over Linehan in view of Chen and further in

view of Atsmon et al. (U.S. Patent Application No. 2004/0031856), Applicants respectfully submit

that the claims, as amended, distinctly define the present invention from any of the references of

record, taken alone or in combination, for the reasons that follow.

Specifically, independent claims 1, 43, 90 and 98 have been amended to define three

separate servers: a merchant server, a first server and a second server. The merchant server is the

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server at which the user would like a transaction to proceed. The first server acts as a security

server for authenticating a transaction instrument, such as a smart card or the like. The second

server corresponds to a wallet server, which, in conjunction with credentials established by the first

server, validates the instrument to provide access to a transaction service provided by the merchant

server.

Nothing in the cited references teaches or discloses these features. Rather, Linehan merely

teaches validation of a smart card by challenging the smart card. Specifically, Linehan discloses:

> The smart card 262 owned by the consumer can be used to authenticate the
> consumer to the issuer gateway. When the consumer's computer 202 sends an
> attempt message 272 which attempts to connect with the issuer gateway 214, the
> issuer gateway responds to the consumer computer with a challenge message 274.
> The consumer computer 202 then passes the challenge on to the smart card reader
> 260, which passes it on as the challenge 274' to the smart card 262. The smart card
> 262 then signs the challenge with its digital signature and returns the signed
> challenge response 276 to the consumer's computer 202. The consumer's computer
> 202 then combines the signed challenge response 276 with the merchant's initiation
> message 224 and sends it on to the issuer gateway. The issuer gateway 214 verifies
> the smart card's signature and thus verifies the consumer's identity.

Col. 7, lines 22-37. Nothing in Linehan teaches the additional steps, as recited in independent

claims 1, 43, 90 and 98 of:

> receiving, at a second server, a second request from said user, said second request
> including said portion of said assembled credentials provided to said user; and
> validating, at said second server, said portion of said assembled credentials provided
> to said user with said key of said assembled credentials to provide access to a
> transaction service.

Chen fails to cure the deficiencies of Linehan. More specifically, Chen merely teaches that

"the entire wallet is . . . provided to the customer, in any form which enables the customer to utilize

the wallet, for example as a software package for user on the customer's portable computer, or on a

smart card which can be carried around by the customer and used at kiosks provided with smart

card readers." Col. 6, lines 21-26. However, the wallet defined in the present invention, denoted as

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the "second server," is separate from the user or the user's computer, although a wallet icon may be provided by the wallet server on the user's computer screen when making on-line purchases.

Security of the transaction, as described in the present invention, is increased because the identity of the user (specifically, the instrument) must be validated by the first (security) server prior to the user using the second (wallet) server to complete the transaction. In this regard, authentication of the instrument in the present invention occurs entirely without participation of the merchant before the transaction with the merchant is attempted.

Chen, however, requires significant participation by the merchant to validate the instrument.

Specifically, after a customer requests an order from the merchant, the merchant:

> requests an authorization ticket in the form of payment or account information encrypted by one of the public keys in the public key file. Selection of the public key may be in response to transmission from the merchant of a public key identifier associated with the public key.

Col. 6, lines 33-38. In addition, the merchant is required to take the further steps:

> When the merchant receives the authorization ticket, the merchant then embeds or associates it with whatever information the merchant needs to provide the account servicer. The authorization ticket is then forwarded to the account servicer, at which point the account servicer uses the private key associated with the selected public key in order to decrypt the file and verify the status of the account. If the transaction is approved, the account servicer then sends an approval message back to the merchant, together with decrypted information necessary for the merchant's records.

Col. 6, lines 48-57.

The present invention, however, allows the instrument to be authenticated and the transaction to be validated prior to requesting the transaction from the merchant. This allows "improved security without additional overhead for customers and merchants." Application, pg. 3, lines 30-31. A merchant, once it receives an authenticated and validated transaction request, can proceed to request approval of the transaction via the instrument issuer as it normally would at a point of sale. Because the second server (wallet server) interacts with the first server (security

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server), reliability and confidence is enhanced in the transaction.

Thus, Applicants respectfully submit that the combination of Linehan and Chen et al. fails to teach or suggest all of the elements recited in independent claims 1, 43, 90 and 98. With respect to claim 98, the disclosure of Atsmon et al. fails to provide the missing elements. Applicants therefore respectfully assert that the independent claims are patentably distinct from the combination of Linehan, Chen et al., and, for claim 98, Atsmon et al., and, therefore, are in condition for allowance.

Further, with respect to rejected claims 2-4, 44-46, 91-97 and 99-103, Applicants respectfully submit that these claims, which depend from independent claims 1, 43, 90 and 98, either directly or indirectly, are also allowable for at least the reasons described above with respect to the independent claims, as well as in view of their own respective features.
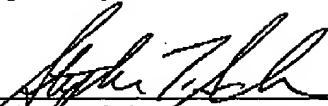
CONCLUSION

In view of the foregoing remarks and amendments, Applicants respectfully submit that all of the claims in the Application are in allowable form and that the Application is now in condition for allowance. If, however, any outstanding issues remain, Applicants urge the Examiner to telephone Applicants' attorney so that the same may be resolved and the Application expedited to issue. Applicants respectfully request the Examiner to indicate all claims as allowable and to pass the Application to issue.

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Respectfully submitted,

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